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Summary of Financial Statements for the Fiscal Year Ended December 31, 2025 [IFRS] (Consolidated)



February 12, 2026

Broadleaf Co., Ltd

Stock listing:

Tokyo Stock Exchange Prime Market

Representative:

Representative Director, President and CEO Kenji Oyama

Scheduled date of Annual General Meeting of Shareholders

March 24, 2026

Scheduled date of commencement of dividend payout

March 25, 2026

Earnings Supplementary Explanatory Documents

Yes

Earnings Results Briefing:

Yes (For institutional investors and analysts)

(Figures are rounded to the nearest million yen)

Consolidated Financial Results for FY2025 (January 1, 2025-December 31, 2025)

(1) Consolidated Operating Results (Percentage below represents increase (decrease) from the same period of previous year)

	Revenue		Operating profit		Profit before tax		Net income		Profit attributable to owners of the parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2025	20,815	15.4	2,063	206.0	1,854	240.3	1,215	266.0	1,240	261.3	1,262	189.1
FY2024	18,045	17.3	674	-	545	-	332	-	343	-	437	-

	Basic earnings per share	Diluted earnings per share	Net margin of equity attributable to owners of the parent	Return on assets	Operating Margin
	Yen	Yen	%	%	%
FY2025	13.79	13.50	5.2	4.6	9.9
FY2024	3.85	3.75	1.5	1.4	3.7

(Reference) Share of profit or loss of entities accounted for using equity method
FY2025 -95Millions of yen
FY2024 -87Millions of yen

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Percentage of equity attributable to owners of the parent	Equity attributable to owners of the parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
FY2025	41,425	24,293	24,271	58.6	269.40
FY2024	39,895	23,143	23,142	58.0	259.39

(3) Consolidated Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at quarter end
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2025	6,897	- 4,409	- 2,692	4,121
FY2024	6,531	- 4,308	- 1,835	4,306

2. Dividends

	Dividend per share					Total dividend	Dividend payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of the parent (consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY2024	-	0.00	-	2.00	2.00	183	51.9	0.8
FY2025	-	2.50	-	3.50	6.00	551	43.5	2.3
FY2026 (forecast)	-	7.50	-	7.50	15.00		42.4	

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 2026 (January 1, 2026-December 31, 2026)

(Percentages represent year-on-year changes for the full fiscal year and year-on-year changes for the quarter.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
1H FY2026	10,400	5.9	1,100	42.6	1,050	75.0	700	68.0	7.74
FY2026	23,500	12.9	4,800	132.7	4,750	156.2	3,200	158.0	35.35

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※ Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies and changes in accounting estimates

1. Changes in accounting policies required by IFRS: None
2. 1. Changes in accounting policies other than the above: None
3. Changes in accounting estimates: None

(3) Number of shares outstanding (common stock)

1. Number of shares outstanding (including treasury shares)	FY2025	97,896,800 shares	FY2024	97,896,800 shares
2. Number of shares of treasury shares	FY2025	7,804,791 shares	FY2024	8,680,791 shares
3. Average number of shares during the period	FY2025	89,913,147 shares	FY2024	89,119,161 shares

(Reference) Summary of Non-consolidated Financial Results

Non-consolidated results for the year ended December 31, 2025 (January 1, 2025 to December 31, 2025)

(1) Non-Consolidated Operating Results (Percentage below represents increase (decrease) from the same period of previous year)

	Net sales		Operating profit		Ordinary income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2025	18,540	15.3	2,145	233.5	2,142	205.1	626	326.6
FY2024	16,077	17.0	643	-	702	-	147	-

	Net income per share		Diluted EPS	
	Yen		Yen	
FY2025	6.97		6.81	
FY2024	1.65		1.60	

(2) Non-consolidated Financial Position

	Total assets		Net assets		Equity Ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
FY2025	30,892		15,657		50.7		173.78	
FY2024	30,268		15,178		50.1		170.13	

Reference: Shareholders' equity FY2025 15,657Millions of yen FY2024 15,178Millions of yen

<Reasons for differences in non-consolidated results from the results of the previous fiscal year>

For our core business software products, revenue increased as a result of continued progress in converting existing customers to subscription-based contracts, together with steady acquisition of new customers, leading to an improvement in profitability. Accordingly, both ordinary profit and profit attributable to owners of the parent increased.

* The financial results are outside the scope of audits by a certified public accountant or an auditing firm.

* Comments regarding appropriate usage of earnings forecasts, and other special notes

(Notes on forward-looking statements)

The forward-looking statements such as earnings forecasts contained in this document are based on the information currently available to Broadleaf Co., Ltd. group (Hereinafter "the Group") and certain assumptions which are regarded as legitimate. The Group makes no warranty as to the achievability of what is described in the statements. Actual results may differ from these forecasts due to various factors.

(Availability of earnings supplementary explanatory documents and information on earnings results briefings)

The group plans to hold a live webcast presentation for institutional investors and analysts on Friday, February 13, 2026. The materials used at the meeting will be posted on its website.

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1. Overview of operating results, etc.

(1) Overview of operating results for the current fiscal year

(i) Qualitative information on financial Current management results

During the current fiscal year under review (January 1, 2025 to December 31, 2025), the Japanese economy continued a moderate recovery, supported by improvements in employment and income conditions as well as the effects of various government policies. Meanwhile, persistent inflation, rising interest rates, and the depreciation of the yen remained as downside risks to the economy, and the outlook remains uncertain.

In the domestic information services industry, to which the Group belongs, corporate IT investment remained robust. Specifically, various initiatives progressed, including the development of IT infrastructure aimed at achieving sustainability management through cloud migration, the introduction of generative AI to strengthen engagement with end-users, and the creation of new services utilizing digital data.

Under these circumstances, the Group has been promoting the two growth strategies set forth in its mid-term management plan (2022–2028): “Cloud Penetration” and “Service Expansion,” with the objective of supporting customer innovation and business transformation. Specifically, the Group has been systematically transitioning customers using packaged software to its cloud software, the “.c Series,” while also focusing on the acquisition of new customers. In addition to expanding the lineup of its cloud software offerings, the Group has also been advancing research and development of new platform-based services utilizing its proprietary digital data and AI technologies.

As a result of these initiatives, the number of customers using the Group’s cloud software increased, and cloud service sales for the fiscal year under review rose by 44.1% year-on-year. Conversely, packaged system sales decreased by 23.5% year-on-year, reflecting the steady migration of customers from packaged software to cloud software. In addition, other sales increased by 37.7% year-on-year, driven by strong demand for PC replacements to accommodate new operating systems and enhance security. While the migration to cloud software has changed the revenue mix between cloud service sales and packaged system sales, it continues to be a positive factor for overall revenue growth. This revenue growth driver is expected to continue until the planned transition to cloud software is completed in 2028.

On the cost side, depreciation expenses increased due to the expansion of target industries and the addition of new functions for cloud software, while IT infrastructure enhancement costs also rose to further improve service quality. At the same time, the Group continued to promote cost optimization by leveraging generative AI to improve the efficiency of sales activities as well as development and administrative operations.

As a result, revenue for the fiscal year under review amounted to 20,815 million yen (up 15.4% year-on-year), operating profit was 2,063 million yen (up 206.0% year-on-year), profit before tax was 1,854 million yen (up 240.3% year-on-year), and profit attributable to owners of the parent was 1,240 million yen (up 261.3% year-on-year).

The Group operates as a single segment in the IT services business; however, the breakdown of revenue by service category is as follows.

(Millions of yen)

Classification	FY2024 (From January 1, 2024 To December 31, 2024)	FY2025 (From January 1, 2025 To December 31, 2025)	YoY ratio
Cloud services	8,210	11,832	44.1%
Packaged system	7,450	5,699	-23.5%
Others	2,386	3,285	37.7%
Total	18,045	20,815	15.4%

Cloud services

This category consists of usage fees for subscription-type software, including “.c Series” of cloud software, and fees for platforms for ordering automotive aftermarket parts.

Packaged system

This category consists of sales proceeds (lease sales or bulk sales) for packaged software for mobile phone shops, travel services, bus operators, machine tool trading companies, and manufacturers, as well as various service fees required for the use of packaged software.

Others

This category comprises revenue from the sale of hardware such as PCs and supplies.

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(ii) Outlook for the Next Fiscal Year

For the next fiscal year (January 1, 2026 to December 31, 2026), the consolidated earnings forecast is 23,500 million yen in revenue, 4,800 million yen in operating profit, 4,750 million yen in profit before tax, and 3,200 million yen in profit attributable to owners of the parent.

Digital transformation (DX), including IT infrastructure enhancements such as cloud migration and the expansion of services to increase touchpoints with consumers, is expected to remain active among domestic companies. In addition to the cloud software contracts acquired during the current fiscal year (January 1, 2025 to December 31, 2025), previously accumulated contracts are also expected to contribute over the full year. Furthermore, the shift from packaged software to cloud services is progressing steadily, and the number of active implementations, particularly among major companies, is projected to increase. As a result, revenue is expected to increase by 2,685 million yen year on year.

On the cost side, infrastructure investments and costs related to implementation and operational support are expected to increase in line with growth in the number of cloud users and implementation projects. To offset the increase in variable costs associated with business expansion, the Group will work to improve profitability by actively utilizing AI technologies to enhance the efficiency of sales and development activities, as well as by continuing to automate and standardize internal business processes. As a result, operating profit is expected to increase by 2,737 million yen year on year, and the operating profit margin is projected to be 20.4%, compared with 9.9% in the fiscal year under review.

The earnings forecasts and other forward-looking information contained in these materials are based on our management's assumptions and beliefs in light of the information currently available to management. Please refrain from relying excessively on these forecasts.

(2) Overview of financial position for the current fiscal year

(i) Financial position

Total assets at the end of the fiscal year under review increased 1,530 million yen, or 3.8%, compared with the end of the previous fiscal year to 41,425 million yen. Current assets increased by 253 million yen to 8,464 million yen, a 3.1% increase. Non-current assets increased by 1,277 million yen to 32,960 million yen, a 4.0% increase. The increase in current assets was mainly attributable to increases of 343 million yen in trade and other receivables and 140 million yen in inventories, despite a decrease of 185 million yen in cash and cash equivalents.

The increase in non-current assets was mainly due to an increase in intangible assets of 2,035 million yen, despite decreases of 310 million yen in deferred tax assets, 254 million yen in property, plant and equipment, and 95 million yen in investments accounted for using the equity method.

Total liabilities at the end of the fiscal year under review increased 381 million yen, or 2.3%, from the end of the previous fiscal year to 17,132 million yen. Current liabilities increased by 1,664 million yen to 15,344 million yen, a 12.2% increase. Non-current liabilities decreased by 1,283 million yen to 1,788 million yen, a 41.8% decrease.

The increase in current liabilities was mainly due to an increase of 2,102 million yen in contractual liabilities, despite a decrease of 406 million yen in short-term interest-bearing debt. The main reason for the decrease in non-current liabilities was a decrease of 1,271 million yen in long-term interest-bearing debt. Total equity at the end of the fiscal year under review increased 1,149 million yen, or 5.0%, compared with the end of the previous fiscal year to 24,293 million yen. The increase in total equity was mainly attributable to an increase of 889 million yen in retained earnings and a decrease of 239 million yen in treasury stock.

As a result, the ratio of equity attributable to owners of the parent to total assets increased 0.6 percentage points from 58.0% at the end of the previous fiscal year to 58.6%.

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(ii) Cash flow

Cash and cash equivalents (hereinafter referred to as “cash”) at the end of the fiscal year under review decreased by 185 million yen from the end of the previous fiscal year to 4,121 million yen. Net cash provided by operating activities was 6,897 million yen, net cash used in investing activities was 4,409 million yen, and net cash used in financing activities was 2,692 million yen.

The situation of each cash flow in the current consolidated fiscal year and the factors behind them are as follows.

(Cash flow from operating activities)

Net cash provided by operating activities was 6,897 million yen, an increase of 5.6% compared with the previous fiscal year.

This was mainly due to depreciation and amortization expense of 3,274 million yen, an increase in contract liabilities of 2,102 million yen, and profit before tax of 1,854 million yen..

(Cash flow from investment activities)

Net cash used in investing activities was 4,409 million yen, up 2.3% from the previous fiscal year.

This was mainly due to payments for the purchase of intangible assets of 4,433 million yen..

(Cash flow from financing activities)

Net cash used in financing activities was 2,692 million yen, up 46.7% from the previous fiscal year.

This was mainly due to proceeds from long-term borrowings of 1,482 million yen, which were more than offset by repayments of long-term borrowings of 2,929 million yen and repayments of lease liabilities of 833 million yen.

(3) Basic policy on profit distribution and dividends for the current and next fiscal years

The Company regards the return of profits to shareholders as an important management priority. Our basic policy is to allocate profits in line with business performance while securing internal reserves necessary for business development aimed at enhancing corporate value and for maintaining a sound financial position. In this context, with the aim of further enhancing shareholder returns, we have decided to raise our target consolidated dividend payout ratio from 35% or higher to 40% or higher starting in the next fiscal year.

With respect to dividends of surplus, our basic policy is to pay dividends twice a year, comprising an interim dividend and a year-end dividend. The interim dividend is resolved by the Board of Directors, while the year-end dividend is resolved at the Ordinary General Meeting of Shareholders. .

Based on the above policy, the dividend for the fiscal year under review is scheduled to be 3.5 yen per share as a year-end dividend, resulting in an annual dividend of 6.0 yen per share, including the interim dividend of 2.5 yen per share already paid. For the next fiscal year, we plan to pay dividends of 15.0 yen per share (7.5 yen as an interim dividend and 7.5 yen as a year-end dividend).

2. Basic concept regarding the selection of accounting standards

In order to enhance the convenience of our domestic and overseas shareholder and other stakeholders by enhancing the comparability and disclosure of financial information internationally, the Group has adopted the International Financial Reporting Standards(IFRS) in place of the conventional Japanese standard, instead of the consolidated financial statements in the fiscal year ending December 2016.

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3. Consolidated financial statements and major notes

(1) Consolidated statements of financial position

(Thousands of yen)

	FY2024 (As of December 31, 2024)	FY2025 (As of December 31, 2025)
Assets		
Current assets		
Cash and cash equivalents	4,305,936	4,121,331
Trade and other receivables	3,364,516	3,707,689
Inventories	185,926	325,793
Other financial assets	-	3,000
Other current assets	354,393	306,285
Total current assets	8,210,771	8,464,097
Non-current assets		
Property, plant and equipment	1,168,350	914,485
Goodwill	11,126,040	11,167,691
Intangible assets	16,526,210	18,561,141
Investments accounted for using equity method	95,076	0
Other financial assets	987,931	901,490
Other non-current assets	195,198	141,129
Deferred tax assets	1,584,934	1,274,548
Total non-current assets	31,683,739	32,960,485
Total assets	39,894,510	41,424,583
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	2,796,551	2,707,875
Contract liabilities	6,286,757	8,389,084
Short-term interest-bearing debts	3,479,686	3,073,687
Income taxes payable	220,779	247,327
Other current liabilities	896,834	926,176
Total current liabilities	13,680,607	15,344,149
Non-current liabilities		
Long-term interest-bearing debts	2,655,163	1,383,871
Retirement benefit obligations	241,176	231,517
Provisions	137,255	137,090
Other non-current liabilities	36,916	35,116
Total non-current liabilities	3,070,510	1,787,593
Total liabilities	16,751,117	17,131,742
Equity		
Capital stock	7,147,905	7,147,905
Share premium	7,558,945	7,615,311
Treasury shares	-2,926,532	-2,687,824
Retained earnings	10,407,827	11,297,136
Other components of equity	953,378	898,625
Total equity attributable to owners of the parent	23,141,522	24,271,153
Non-controlling interests	1,870	21,688
Total equity	23,143,393	24,292,841
Total liabilities and equity	39,894,510	41,424,583

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(2) Consolidated statements of income and consolidated statements of comprehensive income

Consolidated statements of income

(Thousands of yen)

	FY2024 (From January 1, 2024 To December 31, 2024)	FY2025 (From January 1, 2025 To December 31, 2025)
Revenue	18,045,315	20,815,301
Cost of sales	-6,333,626	-7,295,699
Gross profit	11,711,689	13,519,602
Selling, general and administrative expenses	-11,109,868	-11,405,537
Other operating income	78,082	38,090
Other operating expenses	-5,815	-89,484
Operating profit	674,088	2,062,671
Finance income	36,569	14,734
Finance costs	-79,039	-128,047
Share of profit (loss) of entities accounted for using equity method	-86,749	-95,076
Profit before tax	544,870	1,854,282
Income tax expense	-212,794	-638,909
Profit	332,076	1,215,373
Profit for the year attributable to		
Owners of the parent	343,298	1,240,265
Non-controlling interests	-11,222	-24,892
Profit	332,076	1,215,373
Profit per share		
Basic earnings per share (yen)	3.85	13.79
Diluted earnings per share (yen)	3.75	13.50

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Consolidated statements of comprehensive income

(Thousands of yen)

	FY2024 (From January 1, 2024 To December 31, 2024)	FY2025 (From January 1, 2025 To December 31, 2025)
Profit	332,076	1,215,373
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of financial assets of equity nature measured at fair value through other comprehensive income	104,323	11,506
Remeasurements of defined benefit plans	5,961	16,954
Total items that will not be reclassified to profit or loss	110,284	28,459
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	-5,772	18,248
Total items that may be reclassified to profit or loss	-5,772	18,248
Total other comprehensive income, net of tax	104,512	46,707
Comprehensive income	436,588	1,262,080
Comprehensive income attributable to:		
Owners of the parent	447,810	1,286,972
Non-controlling interests	-11,222	-24,892
Comprehensive income	436,588	1,262,080

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(3) Consolidated statements of changes in equity

FY2024 (January 1, 2024, to December 31, 2024)

(Thousands of yen)

	Equity attributable to owners of the parent						
	Capital stock	Share premium	Treasury shares	Retained earnings	Other components of equity		
					Warrants	Shares with restriction on transfer	Exchange differences on translation of foreign operations
Balance on January 1, 2024	7,147,905	7,449,297	-3,045,268	10,057,477	876,989	-14,000	-41,960
Profit	-	-	-	343,298	-	-	-
Other comprehensive income	-	-	-	-	-	-	-5,772
Total comprehensive income	-	-	-	343,298	-	-	-5,772
Disposal of treasury shares	-	109,648	118,735	-	-178,302	-54,820	-
Dividends	-	-	-	-88,802	-	-	-
Share-based payment transactions	-	-	-	1,327	258,902	55,527	-
Transfer from other components of equity to retained earnings	-	-	-	96,521	-	-	-
Other changes	-	-	-	-1,995	-	-	-
Total transactions with owners	-	109,648	118,735	7,052	80,600	706	-
Balance on December 31, 2024	7,147,905	7,558,945	-2,926,532	10,407,827	957,589	-13,294	-47,732

(Thousands of yen)

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity			Total		
	Of equity financial assets measured at fair value through other comprehensive income Net change in fair value	Defined benefit plan Remeasurements	Total			
Balance on January 1, 2024	43,051	-	864,081	22,473,492	13,093	22,486,585
Profit	-	-	-	343,298	-11,222	332,076
Other comprehensive income	104,323	5,961	104,512	104,512	-	104,512
Total comprehensive income	104,323	5,961	104,512	447,810	-11,222	436,588
Disposal of treasury shares	-	-	-233,122	-4,739	-	-4,739
Dividends	-	-	-	-88,802	-	-88,802
Share-based payment transactions	-	-	314,428	315,756	-	315,756
Transfer from other components of equity to retained earnings	-90,560	-5,961	-96,521	-	-	-
Other changes	-	-	-	-1,995	-	-1,995
Total transactions with owners	-90,560	-5,961	-15,215	220,220	-	220,220
Balance on December 31, 2024	56,814	-	953,378	23,141,522	1,870	23,143,393

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FY2025 (from January 1, 2025 to December 31, 2025)

(Thousands of yen)

	Equity attributable to owners of the parent						
	Capital stock	Share premium	Treasury shares	Retained earnings	Other components of equity		
					Warrants	Shares with restriction on transfer	Exchange differences on translation of foreign operations
Balance on January 1, 2025	7,147,905	7,558,945	-2,926,532	10,407,827	957,589	-13,294	-47,732
Profit	-	-	-	1,240,265	-	-	-
Other comprehensive income	-	-	-	-	-	-	18,248
Total comprehensive income	-	-	-	1,240,265	-	-	18,248
Purchase of treasury shares	-	-	-64	-	-	-	-
Disposal of treasury shares	-	101,075	238,773	-	-289,482	-56,000	-
Dividends	-	-	-	-403,662	-	-	-
Share-based payment transactions	-	-	-	33,281	208,154	55,293	-
Changes in ownership interest in subsidiaries	-	-44,709	-	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	-	19,425	-	-	-
Total transactions with owners	-	56,366	238,708	-350,956	-81,328	-706	-
Balance on December 31, 2025	7,147,905	7,615,311	-2,687,824	11,297,136	876,261	-14,000	-29,484

(Thousands of yen)

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity			Total		
	Of equity financial assets measured at fair value through other comprehensive income Net change in fair value	Defined benefit plan Remeasurements	Total			
Balance on January 1, 2025	56,814	-	953,378	23,141,522	1,870	23,143,393
Net income	-	-	-	1,240,265	-24,892	1,215,373
Other comprehensive income	11,506	16,954	46,707	46,707	-	46,707
Total comprehensive income	11,506	16,954	46,707	1,286,972	-24,892	1,262,080
Purchase of treasury shares	-	-	-	-64	-	-64
Disposal of treasury shares	-	-	-345,482	-5,635	-	-5,635
Dividends	-	-	-	-403,662	-	-403,662
Share-based payment transactions	-	-	263,447	296,729	-	296,729
Changes in ownership interest in subsidiaries	-	-	-	-44,709	44,709	-
Transfer from other components of equity to retained earnings	-2,471	-16,954	-19,425	-	-	-
Total transactions with owners	-2,471	-16,954	-101,460	-157,342	44,709	-112,633
Balance on December 31, 2025	65,848	-	898,625	24,271,153	21,688	24,292,841

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(4) Consolidated statements of cash flows

(Thousands of yen)

	FY2024 (From January 1, 2024 To December 31, 2024)	FY2025 (From January 1, 2025 To December 31, 2025)
Cash flow from operating activities		
Profit before tax	544,870	1,854,282
Depreciation and amortization expense	2,917,942	3,274,113
Impairment loss	44,949	-
Share-based payment expense	260,815	256,754
Finance income and finance costs(-indicates income)	42,469	113,312
Share of loss (profit) of entities accounted for using equity method (-indicates profit)	86,749	95,076
Decrease (- indicates increase) in trade and other receivables	-653,685	-320,055
Decrease (- indicates increase) in inventories	-84,994	-157,620
Increase (- indicates decrease) in trade and other payables	-46,532	-163,037
Decrease (- indicates increase) in prepaid expenses	-6,384	44,383
Decrease (- indicates increase) in long-term prepaid expenses	-47,551	42,785
Increase (- indicates decrease) in employees' bonuses payable	44,093	-11,913
Increase (- indicates decrease) in contract liabilities	3,116,967	2,102,327
Increase (- indicates decrease) in accrued consumption taxes	258,335	15,670
Others	90,493	141,170
Subtotal	6,568,535	7,287,249
Interest received	6,782	4,497
Dividend received	5,324	6,292
Interest paid	-44,231	-70,073
Income taxes paid or refunded (- indicates payment)	-5,688	-331,377
Cash flow from operating activities	6,530,722	6,896,588
Cash flow from investing activities		
Purchase of property, plant and equipment	-6,303	-17,905
Proceeds from sales of property, plant and equipment	1,639	641
Purchase of intangible assets	-4,553,200	-4,432,924
Payments for acquisition of investments	-10,608	-
Proceeds from sales and redemption of investments	331,441	11,600
Proceeds from acquisition of newly consolidated subsidiaries	-	12,210
Loan advances	-230	-3,000
Proceeds from collection of loans receivable	10,596	7,883
Payments of leasehold and guarantee deposits	-4,362	-5,375
Proceeds from refund of leasehold and guarantee deposits	7,188	7,567
Payments for acquisition of investments accounted for using the equity method	-100,650	-
Proceeds from distributions from investment partnerships	16,080	10,680
Others	-	-261
Cash flow from investing activities	-4,308,408	-4,408,884

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(Thousands of yen)

	FY2024 (From January 1, 2024 To December 31, 2024)	FY2025 (From January 1, 2025 To December 31, 2025)
Cash flow from financing activities		
Net increase (- indicates decrease) in short-term borrowings	-2,900,000	-
Proceeds from long-term borrowings	4,700,000	1,482,100
Repayments of long-term borrowings	-2,626,814	-2,928,836
Repayments of lease liabilities	-879,556	-833,066
Dividends paid	-88,802	-403,662
Purchase of treasury shares	-	-64
Expenses related to commitment lines	-39,540	-8,538
Cash flow from financing activities	-1,834,711	-2,692,066
Effect of exchange rate changes on cash and cash equivalents	-1,699	19,757
Net increase (- indicates decrease) in cash and cash equivalents	385,903	-184,605
Cash and cash equivalents at beginning of period	3,920,033	4,305,936
Cash and cash equivalents at end of period	4,305,936	4,121,331

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(5) Financial statements

(Notes on the going concern)

Not applicable.

(Segment information)

(1) The outline of any Reporting Segment

Although the Group operates in a single segment, the IT services business, it discloses revenue by product and service category as related information in three categories: cloud services, packaged systems, and others.

Cloud services consist of usage fees for monthly subscription-type software, including the “.c Series,” as well as usage fees for platforms for ordering automotive parts.

Packaged systems consist of sales proceeds from packaged software, including the “.NS Series” (either under lease arrangements or sold outright), as well as fees for various services required for the use of such packaged software.

Others consist of sales proceeds from hardware such as PCs and related supplies.

(2) Segment revenues and results

This information is omitted because the Group only has a single business.

(Profits per share)

Basic and diluted earnings per share and the basis for calculating such loss are as follows:

	FY2024 (From January 1, 2024 To December 31, 2024)	FY2025 (From January 1, 2025 To December 31, 2025)
Profit attributable to owners of the parent (thousand yen)	343,298	1,240,265
Adjustments to Profit (thousand yen)	-	-
Diluted Profit attributable to owners of the parent (thousand yen)	343,298	1,240,265
Average number of common shares outstanding during the period (shares)	89,119,161	89,913,147
Effect of dilutive potential common shares		
Stock Benefit Trust Co., Ltd. (shares)	2,455,084	1,983,698
Diluted average number of common shares outstanding during the period (shares)	91,574,245	91,896,845
Basic earnings per share (yen)	3.85	13.79
Diluted earnings per share (yen)	3.75	13.50

(Significant subsequent events)

Not applicable.